

Message Text

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PAGE 01 SAN SA 03509 022312Z

63

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

EB-07 OMB-01 TRSE-00 /070 W
----- 106753

R 022245Z AUG 76

FM AMEMBASSY SAN SALVADOR

TO SECSTATE WASHDC 1776

LIMITED OFFICIAL USE SAN SALVADOR 3509

E.O. 11652: N/A

TAGS: EINV, ES, UYJ

SUBJECT: DRAFT INSURANCE LAW

REF: STATE 146018

1. EMBASSY OBTAINED COPY OF NEW DRAFT LAW FROM LOCAL REPRESENTATIVE OF HANOVER INSURANCE COMPANY.
2. LAW IS REPORTEDLY ENROUTE TO ASSEMBLY FROM THE PRESIDENT'S OFFICE, BUT ASSEMBLY NOT IN SESSION UNTIL AUGUST , AFTER HOLIDAYS.
3. PROBABILITY OF PASSAGE IN CURRENT FORM HIGH.
4. ARTICLE 13 OF CURRENT DRAFT LAW STIPULATES 80 PERCENT SALVADORAN EQUITY VIS A VIS 60 PERCENT IN PREVIOUS DRAFT.
5. ARTICLE 92 OF CURRENT DRAFT LAW GIVES FOREIGN INSURANCE FIRMS SIX (6) MONTHS AFTER PASSAGE TO FORM SALVADORAN COMPANIES OR LEAVE THE COUNTRY, AS COMPARED IMMEDIATE CESSATIONS OF OPERATIONS UNDER FORMER DRAFT.
6. ARTICLE 93 OF CURRENT DRAFT LAW GIVES FOREIGN LIFE INSURANCE COMPANIES A MAXIMUM OF FIVE (5) YEARS TO FORM NATIONAL FIRMS WITH AT LEAST EIGHTY PERCENT (80) SALVADORAN CAPITAL.
7. EMBASSY WILL XVTO MAKE FURTHER HIGH LEVEL DEMARCHE,

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HOWEVER CHANCES OF SUCCESS APPEAR SLIM AT THIS POINT,

ESPECIALLY IF DRAFT LAW BEING DELIVERED TO ASSEMBLY AS
REPORTED.

8. PLEASE INSTRUCT.
LUBENSKY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INSURANCE, LAW, LEGISLATIVE BILLS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SANSAS03509
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760297-1191
From: SAN SALVADOR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760896/aaaadgdu.tel
Line Count: 65
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 146018
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2004 by izenbei0>; APPROVED <27 OCT 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DRAFT INSURANCE LAW
TAGS: EINV, ES, UY
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006